(c) RBI has further reported that no request has been received from the State Government in regard to the opening of new co-operative banks in the State.

(d) Does not arise in view of (c) above.

Financial health of LIC

2889. SHRI VAYALAR RAVI:
DR. T. SUBBARAMI REDDY :

Will the Minister of FINANCE be pleased to refer to answer to Unstarred Question 897 given in the Rajya Sabha on 29th July, 2003 and state :

(a) whether the Ministry of Finance has asked the Life Insurance Corporation of India to give a status report on its financial health position;

(b) if so, whether the report received by the Ministry has found LIC falling short of capital norms and solvency requirements; and

(c) if so, the other steps Government propose to restore its financial health?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) No, Sir.

(b) and (c) Do not arise.

Interest rate on NRI rupee deposit scheme

2890. DR. T SUBBARAMI REDDY :
DR.A.R.KIDWAI:

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has put a cap on the interest rate that banks can offer on the popular non-resident Indian rupee deposit scheme;

(b) if so, the reasons therefor;

(c) whether the banks can now offer rates upto 250 basis points above the dollar LIBOR (London Inter Bank Offered Rate) on these deposits;

(d) if so, whether this has been opposed by the NRIs;

(e) if so, what are main arguments given by them; and

(f) to what extent this decision would help Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) and (f) Yes, Sir. Reserve Bank of India (RBI) has recently stipulated that interest rate on non-resident external rupee deposits (NRE deposits) should not exceed 2.5 percentage points over the LIBOR/SWAP rates for US dollar of corresponding maturity. The above changes in interest rates are also applicable to repatriable NRE deposits renewed after their present maturity period.

Banks can offer FCNR (B) deposits in foreign currency and NRE deposits in domestic currency. The interest rates on FCNR (B) are subject to a ceiling linked to LIBOR/SWAP rate of corresponding maturity minus 25 basis points. Banks were earlier free to offer interest rates on NRE deposits consistent with domestic rupee deposits. In order to provide consistency in the interest rates offered to non-resident Indians, the Reserve Bank has recently specified the ceiling rate on fresh repatriable NRE deposits for one to three years, effective July 17, 2003.

(d) No, Sir.

(e) Does not arise.

Import of foreign cars

2891. SHRI THENNALA G. BALAKRISHNA PILLAI: Will the Minister of FINANCE be pleased to state:

(a) the total number of foreign cars imported through Cochin Port during the last three years by NRIs;

(b) whether Revenue intelligence has taken any cases against any NRI imports;

(c) if so, the details thereof;

(d) whether Government have received any complaint against DRI officers regarding harassment of importers; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) The total no. of foreign cars